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17 JUL 1964

Honorable Olin D. Johnston  
Chairman  
Committee on Post Office  
and Civil Service  
United States Senate  
Washington, D. C.

Dear Mr. Chairman:

In connection with the congressional consideration of the Government Employees Salary Reform Act of 1964, members of the staff of your Committee have been most helpful in advising us of developments and in discussing the effect which the bill, if enacted, would have upon employees of this Agency.

One item which has come under consideration has to do with a Senate amendment to the bill which provides for an effective date of 1 July 1964. This Agency is, as you know, one of several which fix the rates of compensation of their employees by administrative action pursuant to law. The Comptroller General has ruled that these rates may not be adjusted retroactively unless there is specific statutory provision for such action, as was done in the case of P. L. 85-462, 20 June 1958, section 7. If the Senate amendment on the effective date is accepted in conference, the employees of this Agency and possibly other so-called administrative agencies will not be entitled to the retroactive portion of the pay increase unless a similar provision is added to the current legislation. Such a provision would insure that H. R. 11049 would continue to cover all Federal employees equally within the scope of the original bill.

Accordingly, the enclosed draft suggests language which would achieve the above objectives and is based upon the language of the Senate amendment. In the event that H. R. 11049 is made effective with commencement of the first pay period in July, an alternate draft has been enclosed. Your favorable consideration of such an addition would be most appreciated.

The Bureau of the Budget advises that it has no objection to the submission of this letter and its enclosures from the standpoint of the Administration's program.

Sincerely,

*/s/ John S. Warner*  
John S. Warner  
Legislative Counsel

Enclosures

cc:   
Legal Adviser, NSA

Distribution:

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1 - DD/S                      1 - Director of Finance  
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OGC/LC/DDS:bw (16 July 1964)

**ENCLOSURE**

(a) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U. S. C. 665), the rates of compensation of officers and employees of the Federal Government whose rates of compensation are fixed by administrative action pursuant to law and are not otherwise increased by this Act are hereby authorized to be increased, effective on July 1, 1964, by amounts not to exceed the increases provided by this Act for corresponding rates of compensation in the appropriate schedule or scale of pay.

(b) Nothing contained in this section shall be deemed to authorize any increase in the rates of compensation of officers and employees whose rates of compensation are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(c) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of compensation may be fixed by administrative action.

### **ALTERNATE**

(a) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U. S. C. 665), the rates of compensation of officers and employees of the Federal Government whose rates of compensation are fixed by administrative action pursuant to law and are not otherwise increased by this Act are hereby authorized to be increased, effective on or after the first day of the first pay period which began after July 1, 1964, by amounts not to exceed the increases provided by this Act for corresponding rates of compensation in the appropriate schedule or scale of pay.

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17 JUL 1964

Honorable Tom Murray  
Chairman  
Committee on Post Office  
and Civil Service  
House of Representatives  
Washington, D. C.

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s/ John S. Warner  
John S. Warner  
Legislative Counsel

Enclosures

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	<b>CENTRAL INTELLIGENCE AGENCY</b> WASHINGTON, D. C. 20505
	21 July 1964
<b>TO:</b>	<div style="border: 1px solid black; width: 150px; height: 15px; margin-bottom: 5px;"></div> <b>Legal Adviser, NSA</b>
<b>FROM:</b>	<b>John S. Warner</b> <b>Legislative Counsel</b> <b>Telephone:</b> <div style="border: 1px solid black; width: 150px; height: 15px; display: inline-block;"></div>
<p><b>These were delivered yesterday</b></p> <p><b>per our telephone conversation.</b></p>	

FORM 1-64 **1533** OBSOLETE  
PREVIOUS  
EDITIONS.

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